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SENATE

{ REPORT
115-71

SMALL AND RURAL COMMUNITY CLEAN WATER TECHNICAL ASSISTANCE ACT

—————
MAY 17, 2017.—Ordered to be printed
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Mr. BARRASSO, from the Committee on Environment and
Public Works, submitted the following

R E P O R T

[To accompany S. 518]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred the bill (S. 518) to amend the Federal Water Pollution Control Act to provide for technical assistance for small treatment works, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill, as amended, do pass.

GENERAL STATEMENT AND BACKGROUND

Many wastewater treatment systems operated by small and rural communities have few staff and limited resources. As a result, they may lack the expertise to maintain compliance with Clean Water Act requirements. On-site technical assistance and education offered by “circuit riders” provides a cost-effective way to address this issue.

In the 114th Congress, this committee passed S. 611 to provide technical assistance under the Safe Drinking Water Act for small and rural drinking water systems. This legislation was enacted as P.L. 114-98.

S. 518 authorizes a similar program for Clean Water Act technical assistance.

OBJECTIVES OF THE LEGISLATION

The objective of the legislation is to provide for technical assistance for small and medium treatment works.

SECTION-BY-SECTION ANALYSIS

Section 1: Short title

Section 1 notes that this act may be cited as the “Small and Rural Community Clean Water Technical Assistance Act.”

Section 2: Technical assistance for small treatment works

Section 2 of S. 518 adds new sections 222 and 223 to the Clean Water Act.

New section 222 establishes a technical assistance program for small treatment works, to be carried out by qualified nonprofit technical service providers tailored to meet the separate needs of small systems. Small treatment works are identified as those that serve no more than 10,000 individuals.

Section 222 authorizes \$15 million a year for five years, totaling \$75 million, to carry out the small treatment works assistance program.

New section 223 establishes a technical assistance program for medium treatment works, to be carried out by qualified nonprofit technical service providers tailored to meet the separate needs of medium systems. Medium treatment works are defined as those that serve between 10,001 and 75,000 individuals.

Section 223 authorizes \$10 million a year for five years, totaling \$50 million, to carry out the medium treatment works assistance program.

Section 2 of S. 518 also amends section 603 of the Clean Water Act to authorize States to use up to 2 percent of their Clean Water Act State Revolving Loan Fund allocation grant to support small and medium treatment works technical assistance providers, as defined in new sections 222 and 223.

LEGISLATIVE HISTORY

The language similar to this bill was included last Congress in the Water Resources Development Act of 2016, S. 2848. S. 2848 was reported by the Committee on June 20, 2016. S. 2848 passed the Senate on September 15, 2016 by a vote of 95 to 3.

On March 2, 2017, Senator Wicker introduced the Small and Rural Community Clean Water Technical Assistance Act. The bill was referred to the Committee on Environment and Public Works.

On April 5, 2017, the Committee considered S. 518 and adopted by voice vote an amendment in the nature of a substitute that revised section 2 of the bill to add section 223 to the Clean Water Act. The bill, as amended, was ordered to be reported favorably by voice vote.

HEARINGS

On March 28, 2017, Committee on Environment and Public Works Subcommittee on Fisheries, Water, and Wildlife held a legislative hearing to review S. 518, the “Small and Rural Community Clean Water Technical Assistance Act,” S. 692, the “Water Infrastructure Flexibility Act of 2017,” and S. 675, the “Long Island Sound Restoration and Stewardship Act”, and hear from interested stakeholders.

ROLLCALL VOTES

The Committee on Environment and Public Works met to consider S. 518 on April 5, 2017. The bill was ordered favorably reported by voice vote. No rollcall votes were taken.

REGULATORY IMPACT STATEMENT

In compliance with section 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee finds that S. 518 does not create any additional regulatory burdens, nor will it cause any adverse impact on the personal privacy of individuals.

MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Public Law 104-4), the Committee notes that the Congressional Budget Office found that S. 518 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA), and would impose no costs on state, local, or tribal governments.

COST OF LEGISLATION

Section 403 of the Congressional Budget and Impoundment Control Act requires that a statement of the cost of the reported bill, prepared by the Congressional Budget Office, be included in the report. That statement follows:

APRIL 27, 2017.

Hon. JOHN BARRASSO,
Chairman, Committee on Environment and Public Works,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 518, the Small and Rural Community Clean Water Technical Assistance Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jon Sperl.

Sincerely,

KEITH HALL.

Enclosure.

S. 518—Small and Rural Community Clean Water Technical Assistance Act

Summary: S. 518 would authorize the appropriation of \$25 million annually over the 2018–2022 period for the Environmental Protection Agency to provide grants for training and technical assistance to water treatment works owned by public entities that serve communities with populations of fewer than 75,000 individuals. CBO estimates that implementing S. 518 would cost \$73 million over the next five years, assuming appropriation of the authorized amounts.

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting S. 518 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 518 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 518 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—						
	2017	2018	2019	2020	2021	2022	2017–2022
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Authorization Level	0	25	25	25	25	25	125
Estimated Outlays	0	1	7	15	25	25	73

Basis of estimate: For this estimate, CBO assumes that S. 518 will be enacted by the end of fiscal year 2017, that the authorized amounts will be appropriated each year, and that outlays will follow historical spending patterns for similar technical assistance programs implemented by the agency.

Pay-as-You-Go considerations: None.

Increase in long-term direct spending and deficits: CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

Intergovernmental and private-sector impact: S. 518 contains no intergovernmental or private-sector mandates as defined in UMRA. Water treatment works owned by public entities that serve communities with populations of fewer than 75,000 individuals would benefit from training and technical assistance authorized in the bill through federal grants. Any costs incurred by those entities, including cost-sharing contributions, would result from conditions of federal assistance.

Estimate prepared by: Federal costs: Jon Sperl; Impact on state, local, and tribal governments: Jon Sperl; Impact on the private sector: Amy Petz.

Estimate approved by: H. Samuel Papenfuss; Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW

In compliance with section 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows: Existing law proposed to be omitted is enclosed in [black brackets], new matter is printed in *italic*, existing law in which no change is proposed is shown in roman:

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Federal Water Pollution Control Act

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TITLE II—GRANTS FOR CONSTRUCTION OF TREATMENT
WORKS

PURPOSE

SEC. 201. (a) It is the purpose of this title to require and to assist the development and implementation of waste treatment management plans and practices which will achieve the goals of this Act.

(b) * * *

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SEC. 221. SEWER OVERFLOW CONTROL GRANTS.

(a) IN GENERAL.— In any fiscal year in which the Administrator has available for obligation at least \$1,350,000,000 for the purposes of section 601—

(1) * * *

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(d) COST-SHARING.— The Federal share of the cost of activities carried out using amounts from a grant made under subsection (a) shall be not less than 55 percent of the cost. The non-Federal share of the cost may include, in any amount, public and private funds and in-kind services, and may include, notwithstanding section **[603(h)]** *section 603(i)*, financial assistance, including loans, from a State water pollution control revolving fund.

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SEC. 222. TECHNICAL ASSISTANCE FOR SMALL TREATMENT WORKS.

(a) DEFINITIONS.—*In this section:*

(1) QUALIFIED NONPROFIT SMALL TREATMENT WORKS TECHNICAL ASSISTANCE PROVIDER.—*The term ‘qualified nonprofit small treatment works technical assistance provider’ means a nonprofit organization that, as determined by the Administrator—*

(A) is qualified and experienced in providing training and technical assistance to small treatment works; and

(B) the small treatment works in the State finds to be the most beneficial and effective.

(2) SMALL TREATMENT WORKS.—*The term ‘small treatment works’ means a publicly owned treatment works serving not more than 10,000 individuals.*

(b) TECHNICAL ASSISTANCE.—*The Administrator may use amounts made available to carry out this section to provide grants or cooperative agreements to qualified nonprofit small treatment works technical assistance providers to provide to owners and operators of small treatment works onsite technical assistance, circuit rider technical assistance programs, multi-State, regional technical assistance programs, and onsite and regional training, to assist the small treatment works in achieving compliance with this Act or obtaining financing under this Act for eligible projects.*

(c) AUTHORIZATION OF APPROPRIATIONS.—*There are authorized to be appropriated to carry out this section for grants for small treatment works technical assistance, \$15,000,000 for each of fiscal years 2018 through 2022.*

SEC. 223. TECHNICAL ASSISTANCE FOR MEDIUM TREATMENT WORKS.

(a) DEFINITIONS.—*In this section:*

(1) MEDIUM TREATMENT WORKS.—*The term ‘medium treatment works’ means a publicly owned treatment works serving not fewer than 10,001, and not more than 75,000, individuals.*

(2) QUALIFIED NONPROFIT MEDIUM TREATMENT WORKS TECHNICAL ASSISTANCE PROVIDER.—*The term ‘qualified nonprofit medium treatment works technical assistance provider’ means a qualified nonprofit technical assistance provider of water and wastewater services to medium-sized communities that provides technical assistance (including circuit rider technical assistance programs, multi-State, regional assistance programs, and training and preliminary engineering evaluations) to owners and operators of medium treatment works, which may include a State agency.*

(b) TECHNICAL ASSISTANCE.—*The Administrator may use amounts made available to carry out this section to provide grants or cooperative agreements to qualified nonprofit medium treatment works technical assistance providers to provide to owners and operators of medium treatment works onsite technical assistance, circuit-rider technical assistance programs, multi-State, regional technical assistance programs, and onsite and regional training to assist medium treatment works that are facing difficulty in achieving compliance with this Act or obtaining financing under this Act for eligible projects.*

(c) AUTHORIZATION OF APPROPRIATIONS.—*There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2018 through 2022.*

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SEC. 603. WATER POLLUTION CONTROL REVOLVING LOAN FUNDS.

(a) REQUIREMENTS FOR OBLIGATION OF GRANT FUNDS.—

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(d) TYPES OF ASSISTANCE.—*Except as otherwise limited by State law and as provided in subsection (e), a water pollution control revolving fund of a State under this section may be used only—*

(1) * * *

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(e) ADDITIONAL USE OF FUNDS.—*A State may use an additional 2 percent of the funds annually allotted to the State under this section for qualified nonprofit small treatment works technical assistance providers (as the term is defined in section 222) and qualified nonprofit medium treatment works technical assistance providers (as the term is defined in section 223) to provide technical assistance to small treatment works (as the term is defined in section 222) and medium treatment works (as the term is defined in section 223) in the State.*

[(e)] (f) LIMITATION TO PREVENT DOUBLE BENEFITS.—*If a State makes, from its water pollution revolving fund, a loan which will finance the cost of facility planning and the preparation of plans, specifications, and estimates for construction of publicly owned treatment works, the State shall ensure that if the recipient of such loan receives a grant under section 201(g) of this Act for construction of such treatment works and an allowance under section 201(l)(1) of this Act for non-federal funds expended for such plan-*

ning and preparation, such recipient will promptly repay such loan to the extent of such allowance.

[(f)] (g) CONSISTENCY WITH PLANNING REQUIREMENTS.— A State may provide financial assistance from its water pollution control revolving fund only with respect to a project which is consistent with plans, if any, developed under sections 205(j), 208, 303(e), 319, and 320 of this Act.

[(g)] (h) PRIORITY LIST REQUIREMENT.— The State may provide financial assistance from its water pollution control revolving fund only with respect to a project for construction of a treatment works described in subsection (c)(1) if such project is on the State's priority list under section 216 of this Act. Such assistance may be provided regardless of the rank of such project on such list.

[(h)] (i) ELIGIBILITY OF NON-FEDERAL SHARE OF CONSTRUCTION GRANT PROJECTS.— A State water pollution control revolving fund may provide assistance (other than under subsection (d)(1) of this section) to a municipality or intermunicipal or interstate agency with respect to the non-Federal share of the costs of a treatment works project for which such municipality or agency is receiving assistance from the Administrator under any other authority only if such assistance is necessary to allow such project to proceed.

[(i)] (j) ADDITIONAL SUBSIDIZATION.—

(1) **IN GENERAL.**— In any case in which a State provides assistance to a municipality or intermunicipal, interstate, or State agency under subsection (d), the State may provide additional subsidization, including forgiveness of principal and negative interest loans—

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